COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

KEYSPAN ENERGY DELIVERY NEW ENGLAND RESPONSE TO ATTORNEY GENERAL'S SECOND SET OF INFORMATION REQUESTS

D.T.E. 06-54

Respondent: Nancy G. Culliford

Date: September 15, 2006

<u>Information Request AG-2-9</u>

- Q. Please refer to Exh. EDA-1, lines 3-4. State whether the annual fixed costs in Exh. EDA-5 will increase during the 15 years, and identify and provide the basis for these costs.
- A. For the purposes of responding to this request, the Company assumes the question refers to Exh. EDA-1, at page 18 (lines 3-4). As discussed in response to Information Requests AG-2-3 and AG-2-4, unless Algonquin were to file for and get approved a rate increase that affects the AFT-1 service, the rate is fixed for the 15-year term of the Agreement. In no event will the AFT-CL fixed costs increase during the term of the Agreement.